

CITY OF MEADE, KANSAS  
Meade, Kansas

FINANCIAL STATEMENTS  
For the year ended December 31, 2012

CITY OF MEADE, KANSAS

FINANCIAL STATEMENTS

For the year ended December 31, 2012

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CITY OF MEADE, KANSAS

FINANCIAL STATEMENTS

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CITY OF MEADE, KANSAS

FINANCIAL SECTION

## INDEPENDENT AUDITORS' REPORT

To the City Council  
City of Meade, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Meade, Kansas, a Municipality, as of and for the year ended December 31, 2012 and the related notes to the financial statement.

### *Management's Responsibility for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the applicable audit requirements of the *Kansas Municipal Audit and Accounting Guide*. Those standards and the *Kansas Municipal Audit and Accounting Guide* require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

To the City Council  
City of Meade, Kansas

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Meade, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

*Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Meade, Kansas as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.

*Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Meade, Kansas as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

*Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the 2012 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2012 basic financial

To the City Council  
City of Meade, Kansas

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statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 basic financial statement. The 2012 information has been subjected to the auditing procedures applied in the audit of the 2012 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2012 basic financial statement or to the 2012 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2012 supplementary information is fairly stated in all material respects in relation to the 2012 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2011 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2011 basic financial statement upon which we rendered an unqualified opinion dated June 11, 2012. The 2011 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2011 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 basic financial statement. The 2011 comparative information was subjected to the auditing procedures applied in the audit of the 2011 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2011 basic financial statement or to the 2011 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2011 comparative information is fairly stated in all material respects in relation to the 2011 basic financial statement as a whole, on the basis of accounting described in Note 1.

Hay•Rice & Associates, Chartered

June 11, 2013

## CITY OF MEADE, KANSAS

Statement 1

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES  
AND UNENCUMBERED CASH – REGULATORY BASIS

For the year ended December 31, 2012

<u>Funds</u>	<u>Beginning</u> <u>Unencumbered</u> <u>Cash</u> <u>Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending</u> <u>Unencumbered</u> <u>Cash</u> <u>Balance</u>	<u>Add</u> <u>Encumbrances</u> <u>&amp; Accounts</u> <u>Payable</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
Governmental Type Funds:						
General Fund	\$ 245,567	\$1,028,300	\$ 860,392	\$ 413,475	\$ 15,484	\$ 428,959
Special Purpose Funds:						
Library	1,992	79,266	78,623	2,635	-	2,635
Library Special	-	16,732	16,602	130	-	130
Municipal Building	18,465	7,648	6,553	19,560	67	19,627
Major Streets	24,769	44,376	57,960	11,185	-	11,185
Employees' Benefits	-	158,150	158,150	-	-	-
Public Safety	22,957	7,679	29,196	1,440	-	1,440
Aviation	627	14,531	8,451	6,707	-	6,707
Equipment Reserve	36,809	50,000	35,515	51,294	-	51,294
Capital Project Funds:						
Curb and Gutter Improvements	45,231	25,000	38,076	32,155	-	32,155
Fire Department Equipment	11,815	6,361	2,833	15,343	-	15,343
Business Funds:						
Enterprise Funds:						
Light	238,208	2,155,221	2,155,011	238,418	82,771	321,189
Water	476,720	290,620	201,365	565,975	1,418	567,393
Sewer	125,560	97,349	73,674	149,235	47	149,282
Bond and Interest	171,500	-	-	171,500	-	171,500
Utility Bond & Interest #2	126,027	168,000	162,463	131,564	-	131,564
Service Deposits	18,117	12,721	14,533	16,305	-	16,305
Water & Light Improvements	<u>667,979</u>	<u>152,000</u>	<u>197,925</u>	<u>622,054</u>	<u>-</u>	<u>622,054</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$2,232,343</u>	<u>\$4,313,954</u>	<u>\$4,097,322</u>	<u>\$2,448,975</u>	<u>\$ 99,787</u>	<u>\$2,548,762</u>

The notes to the financial statement are an integral part of this statement.



CITY OF MEADE, KANSAS

Statement 1  
(Continued)

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES  
AND UNENCUMBERED CASH – REGULATORY BASIS

For the year ended December 31, 2012

Ending Cash Balance		<u>\$2,548,762</u>
Composition of Cash:		
Cash on hand with City Clerk	\$	200
Deposits in Local Depositories:		
Checking accounts		1,178,202
Certificates of deposit		<u>1,400,000</u>
Total Cash		\$2,578,402
Agency Funds per Schedule 3		<u>(29,640)</u>
Total Reporting Entity (Excluding Agency Funds)		<u>\$2,548,762</u>

The notes to the financial statement are an integral part of this statement.

CITY OF MEADE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

Note 1: Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Meade is a municipal corporation governed by an elected five-member council. This regulatory financial statement presents the City of Meade (the municipality). Related municipal entities of the City are not included in this financial statement.

A related municipal entity is defined as an entity legally separate from the City, which has a significant dependence on, or relationship with, the City.

Related Municipal Entities not Presented

Library Board – The City of Meade Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City.

Housing Authority – The Meade City Housing Authority operates the City's housing projects. The housing authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City.

Fund Descriptions

For the purpose of this report, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and/or encumbrances for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year of 2012:

Governmental Funds:

General Fund – The Chief Operating Fund – used to account for all resources except those required to be accounted for in another fund.

CITY OF MEADE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 1: Fund Descriptions (Continued)

Governmental Funds (Continued):

Special Purpose Funds – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Capital Project Funds – used to account for the debt proceeds and other financial resources segregated for the acquisition or construction of major capital facilities or equipment (other than those financed by Enterprise Funds).

Debt Service Funds – used to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt, and the financing of special assessments which are general obligations of the City.

Business Funds:

Enterprise Funds – to account for operations that are financed and operated in a manner similar to private business enterprises – where the stated intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges – or where periodic determination of revenue earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary Funds:

Agency Funds – used to report assets held by the municipal reporting entity in a purely custodial capacity as trustee or agent for others.

Accounting for Fixed Assets and Long-Term Liabilities

- a. Fixed Assets – Fixed assets purchased are recorded as expenditures at the time of purchase. Such assets of the City are not recorded in a permanent set of records.
- b. Bonds Payable – All unmatured long-term liabilities of the City are accounted for in a permanent set of records.

CITY OF MEADE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The municipality has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. General capital assets that account for the land, buildings and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

CITY OF MEADE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Other Accounting Policies

Special Assessments

Projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the Bond and Interest Fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the Bond and Interest Fund.

Vouchers Payable

Vouchers payable are classified on the basis of a claim for payment resulting from legal title to property.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds.

In addition, encumbrances do constitute expenditures of a fund.

Unencumbered Cash Balance

The unencumbered cash balance is the unobligated resources of cash, time deposits and investments of a fund.

Boards and Associations

The following related municipal entity is included in a separate report:

Library Board, Meade

This separate audit report is not filed with the Director of Accounts and Reports, but is available at the City Hall.

The Meade City Housing Authority is not audited.

CITY OF MEADE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 2: Stewardship, Compliance and Accountability

Budgetary Information and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and business funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

CITY OF MEADE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 2: Stewardship, Compliance and Accountability (Continued)

Budgetary Information and Tax Cycle (Continued)

A legal operating budget is not required for the following funds:

Electric Improvement Fund  
Airport Improvement Fund  
Service Deposits Fund  
Curb and Gutter Improvement Fund  
Bond and Interest Fund  
Fire Department Equipment Reserve Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the County. The County Appraiser's Office annually determines assessed valuation and the County Clerk certifies the annual assessment to the taxing units. One-half of the property taxes are due December 20 and distributed to the City by January 20 to finance a portion of the current year's budget. The second half is due May 10 and distributed to the City by June 20. The City Treasurer draws available funds from the County Treasurer's office at designated times throughout the year. The taxes become a lien against the property on November 1st.

Compliance with Kansas Statutes

- A. Sufficient cash was available to liquidate outstanding claims for all funds.
- B. The Director of Accounts and Reports waived the statutory requirement relating to the preparation of financial statements and financial reports.
- C. Contrary to the provisions of K.S.A. 15-1404, the mayor and the governing body were not covered with indemnity of a surety bond.
- D. Contrary to the provisions of K.S.A. 10-1117 and K.S.A. 79-2934, the City Clerk did not maintain a formal encumbrance record or an unencumbered budget balance record.

CITY OF MEADE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 2: Stewardship, Compliance and Accountability (Continued)

Fund Balances – Designated for Subsequent Years' Budget

Actual cash carryovers were below the estimated carryover for the following funds:

Water	\$ 19,425
Electric	47,291
Major Streets	8,815
Public Safety	29,021
Water & Light Improvements	25,946

Note 3: Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the City of Meade. The statute requires banks eligible to hold the City of Meade's funds have a main or branch bank in the county in which the City of Meade is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City of Meade has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City of Meade's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City of Meade has no investment policy that would further limit its investment choices.

Concentration of Credit Risk – State statutes place no limit on the amount the City of Meade may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the City of Meade's deposits may not be returned to it. State statutes require the City of Meade's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at December 31, 2012.



CITY OF MEADE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 3: Deposits and Investments (Continued)

At December 31, 2012, the City of Meade's carrying amount of deposits was \$2,578,402 and the bank balance was \$2,590,315. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$500,000 was covered by federal depository insurance, and the remaining \$2,090,315 was collateralized with securities held by the pledging financial institutions' agents in the City of Meade's name.

Custodial Credit Risk – Investments – For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City of Meade will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

Note 4: Interfund Transfers

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General Fund	Fire Equipment Reserve	K.S.A. 12-1,117	\$ 5,000
General Fund	Curb & Gutter Improvement	Capital Project	25,000
General Fund	Equipment Reserve	K.S.A. 12-1,117	50,000
Electric Fund	Water & Light Improvement	K.S.A. 12-6310	132,000
Electric Fund	Utility Bond & Interest No. 2	K.S.A. 12-6310	168,000
Water Fund	Water & Light Improvement	K.S.A. 12-825d	20,000

Note 5: Utility, Trash and Garbage

The City of Meade collects trash and garbage billings from local residents for the Meade County Utility. The amount collected less a percentage collection fee is remitted monthly to the Meade County Utility.

Note 6: Subsequent Events

The City of Meade's management has evaluated events and transactions through June 11, 2013, the date which the financial statements were available to be issued.

## CITY OF MEADE, KANSAS

### NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 7: Employees' Retirement, Vacation, Sick Leave, Etc.

Defined Benefit Pension Plan

Plan Description

The City of Meade, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The employer rate established by statute for calendar year 2012 is 7.34%. The City of Meade, Kansas' contributions to KPERS for the years ending December 31, 2012, 2011 and 2010 were \$55,716, \$54,188 and \$51,951, respectively, equal to the statutory required contributions for each year.

## CITY OF MEADE, KANSAS

### NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 7: Employees' Retirement, Vacation, Sick Leave, Etc. (Continued)

#### Deferred Compensation

The City of Meade, Kansas offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation assets, which are funded currently with a third party investment company, are not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City, subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant. The City of Meade, Kansas believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

The following is a summary of activity for the year ended December 31, 2012:

Beginning account value	\$ 14,387
Net account activity	(5,543)
Change in investment value	<u>1,970</u>
Ending account balance	<u>\$ 10,814</u>

#### Work Week

The work week for all employees of the City shall begin at 12:00 midnight Saturday and end at 12:00 midnight the following Saturday. For all employees, except members of the police department, a normal work week, unless other assigned, shall be 40 hours. (K.S.A. 44-1204).

#### Overtime

All overtime work shall be paid at one and one-half times the base salary rate. All overtime shall be paid only by approval of the governing body and as it may direct by resolution, except for members of the police department. (K.S.A. 44-1204).

CITY OF MEADE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 7: Employees' Retirement, Vacation, Sick Leave, Etc. (Continued)

Absence from Work

From 90 days after employment up to five years of service, an employee is granted three leave of absence days. After five years of service, an employee shall receive five leave of absence days. The days each year are not accumulated and carried over.

Vacations

Vacations for full-time City employees shall be allowed as follows:

- a. All employees shall be allowed two weeks paid vacation, or ten working days, after completing one complete year's service with the City.
- b. Three weeks, or 15 days, paid vacation shall be allowed to each employee completing 4 full years of service with the City.
- c. One day per year up to 20 days of paid vacation shall be allowed after completing 14 years of service with the City.
- d. All City employees entitled to vacations as provided in (a), (b) or (c) of this section shall be required to take their vacations within the calendar year. No employee shall be paid additionally for working during his/her vacation time. The City Administrator shall approve the vacation times of all City employees under his/her supervision and control.
- e. Any employee who leaves the City for any reason will be paid for earned vacation time.

Bonus Vacation

Each employee will receive one-third day per month bonus vacation for each month of work completed without a sick day. For each sick leave day, the employee will lose one-third day bonus vacation, but no more than four (4) bonus vacation days per year. Bonus vacation will not accrue year to year. Employees may take pay in preference to vacation time. Bonus vacation will run from year to year and on October 1st of each year the employee shall specify his choice of time off or pay. Should the choice be time off, the bonus days will be taken during the year following. Bonus vacation will not affect regular vacation.

## CITY OF MEADE, KANSAS

### NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 7: Employees' Retirement, Vacation, Sick Leave, Etc. (Continued)

#### Sick Leave

One day per month accumulative to 1,100 hours. This cannot be used or considered in vacation time. All employees who are injured or become ill off the job will be required to use their sick leave. All employees who are injured on the job shall not be required to use their personal sick leave if they qualify for Workers' Compensation benefits. If an employee is injured on the job, the employee, at his request, may draw personal sick leave in addition to his Workers' Compensation benefits. In case of severe or extended illness, special consideration may be given by the City Council. Upon retirement, an employee shall be paid for his accumulated sick leave to sixty (60) days on the basis of his salary at retirement at regular time. A doctor's release shall be required after serious illness or surgery. A doctor's certificate may be required for proof of illness. Sick leave may be taken in segments of one hour or more on whole hour increments. Upon the retirement or death of an employee, he/she or his/her estate shall be entitled to compensation for any unused sick leave time up to 60 days, computed on the basis of 100 percent from the anniversary date of his/her employment and not on the basis of the calendar year.

#### Other Post Employment Benefits

As provided by KSA 12-5040, the City of Meade, Kansas allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City of Meade, Kansas is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City of Meade, Kansas makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

#### Uncompensated Absences

The City pays to employees up to the 1,100 hours of sick leave accumulated upon death or retirement. At December 31, 2012, the amount of unpaid sick leave was \$187,497.

CITY OF MEADE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 8: Long-Term Debt

Changes in long-term liabilities for the City for the year ended December 31, 2012 were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Change</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
Revenue Bonds Series 05	Varied	03/01/05	\$1,715,000	09/01/20	\$1,225,000	-	\$115,000	\$ (115,000)	\$1,110,000	\$ 47,463
Kansas Department of Health & Environment	2.92%	01/02/03	843,338	02/28/08	513,749	-	36,321	(36,321)	477,428	14,738
Capital Leases Payable:										
Electric Fund – 2009 F750	3.60%	12/23/09	140,000	01/15/14	70,115	-	34,437	(34,437)	35,678	2,524
Equipment Reserve Fund – JD 524 Loader	3.25%	08/29/11	<u>121,956</u>	08/29/14	<u>89,989</u>	<u>-</u>	<u>29,042</u>	<u>(29,042)</u>	<u>60,947</u>	<u>2,925</u>
Total Contractual Indebtedness			<u>\$2,820,294</u>		<u>\$1,898,853</u>	<u>-</u>	<u>\$214,800</u>	<u>\$ (214,800)</u>	<u>\$1,684,053</u>	<u>\$ 67,650</u>

CITY OF MEADE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

(Continued)

Note 8: Long-Term Debt (Continued)

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

<u>Principal</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018-2022</u>	<u>2023-2027</u>	<u>Total</u>
Revenue bonds	\$120,000	\$125,000	\$130,000	\$135,000	\$140,000	\$460,000	\$ -	\$1,110,000
KDHE revolving loan	37,388	38,489	39,621	41,665	41,986	229,036	49,243	477,428
Capital leases payable	<u>65,665</u>	<u>30,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,625</u>
Total principal	<u>\$223,053</u>	<u>\$194,449</u>	<u>\$169,621</u>	<u>\$176,665</u>	<u>\$181,986</u>	<u>\$689,036</u>	<u>\$ 49,243</u>	<u>\$1,684,053</u>
<u>Interest</u>								
Revenue bonds	\$ 43,495	\$ 39,236	\$ 34,673	\$ 29,732	\$ 24,468	\$ 38,504	\$ -	\$ 210,108
KDHE revolving loan	13,670	12,570	11,438	9,393	8,297	23,864	1,003	80,235
Capital leases payable	<u>3,265</u>	<u>1,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,271</u>
Total interest	<u>\$ 60,430</u>	<u>\$ 52,812</u>	<u>\$ 46,111</u>	<u>\$ 39,125</u>	<u>\$ 32,765</u>	<u>\$ 62,368</u>	<u>\$ 1,003</u>	<u>\$ 294,614</u>
Total Principal and Interest	<u>\$283,483</u>	<u>\$247,261</u>	<u>\$215,732</u>	<u>\$215,790</u>	<u>\$214,751</u>	<u>\$751,404</u>	<u>\$ 50,246</u>	<u>\$1,978,667</u>

CITY OF MEADE, KANSAS

REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION



CITY OF MEADE, KANSAS

Schedule 1

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET  
REGULATORY BASIS

For the year ended December 31, 2012

<u>Funds</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
Governmental Type Funds:			
General Fund	\$1,145,000	\$ 860,392	\$ 284,608
Special Purpose Funds:			
Library	78,623	78,623	-
Library Special	16,602	16,602	-
Municipal Building	25,000	6,553	18,447
Major Streets	73,500	57,960	15,540
Employees' Benefits	195,000	158,150	36,850
Public Safety	29,200	29,196	4
Aviation	15,500	8,451	7,049
Equipment Reserve	100,000	35,515	64,485
Business Funds:			
Enterprise Funds:			
Light	2,500,000	2,155,011	344,989
Water	370,000	201,365	168,635
Sewer	96,970	73,674	23,296
Utility Bond & Interest #2	162,463	162,463	-
Water & Light Improvements	<u>830,000</u>	<u>197,925</u>	<u>632,075</u>
Totals	<u>\$5,637,858</u>	<u>\$4,041,880</u>	<u>\$1,595,978</u>

CITY OF MEADE, KANSAS

Schedule 2

SCHEDULES OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS  
For the year ended December 31, 2012

## CITY OF MEADE, KANSAS

Schedule 2-1

GENERAL FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>		<u>Variance Over (Under)</u>	<u>Prior Year Actual</u>
	<u>Actual</u>	<u>Budget</u>		
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 263,720	\$ 269,822	\$ (6,102)	\$278,784
Delinquent tax	10,574	4,500	6,074	6,771
Motor vehicle tax	61,473	58,621	2,852	54,711
Liquor tax	933	4,000	(3,067)	2,601
Total taxes	<u>\$ 336,700</u>	<u>\$ 336,943</u>	<u>\$ (243)</u>	<u>\$342,867</u>
Intergovernmental:				
Local sales tax	<u>\$ 386,816</u>	<u>\$ 330,000</u>	<u>\$ 56,816</u>	<u>\$379,593</u>
Licenses, Permits and Fees:				
Franchise tax	\$ 47,535	\$ 60,000	\$ (12,465)	\$ 53,844
Dog and cat tax	116	-	116	804
Licenses	295	-	295	350
Permits	1,153	-	1,153	1,134
Total licenses, permits and fees	<u>\$ 49,099</u>	<u>\$ 60,000</u>	<u>\$ (10,901)</u>	<u>\$ 56,132</u>
Charges for Services:				
Pool admission	\$ 8,713	\$ 10,000	\$ (1,287)	\$ 10,440
Machine hire	9,739	12,000	(2,261)	7,761
Collection fees – Utility	6,823	-	6,823	10,603
Total charges for services	<u>\$ 25,275</u>	<u>\$ 22,000</u>	<u>\$ 3,275</u>	<u>\$ 28,804</u>
Fines, Forfeitures and Penalties:				
Court fines and fees	\$ 172,711	\$ 115,000	\$ 57,711	\$104,275
Other fees	917	-	917	212
Total fines, forfeitures and penalties	<u>\$ 173,628</u>	<u>\$ 115,000</u>	<u>\$ 58,628</u>	<u>\$104,487</u>
Use of Money and Property:				
Interest on investments	<u>\$ 18,683</u>	<u>\$ 42,000</u>	<u>\$ (23,317)</u>	<u>\$ 26,665</u>
Miscellaneous	<u>\$ 31,541</u>	<u>\$ 27,000</u>	<u>\$ 4,541</u>	<u>\$ 17,371</u>
Reimbursements	<u>\$ 6,558</u>	<u>-</u>	<u>\$ 6,558</u>	<u>\$ 5,729</u>
Donations	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 1,582</u>
 Total Cash Receipts	 <u>\$1,028,300</u>	 <u>\$ 932,943</u>	 <u>\$ 95,357</u>	 <u>\$963,230</u>

CITY OF MEADE, KANSAS

Schedule 2-1  
(Continued)

GENERAL FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>		<u>Variance Over (Under)</u>	<u>Prior Year Actual</u>
	<u>Actual</u>	<u>Budget</u>		
<u>Expenditures</u>				
General government	\$ 144,599	\$ 450,000	\$305,401	\$237,223
Highways and streets	251,115	300,000	48,885	233,870
Parks	54,666	40,000	(14,666)	46,121
Fire	20,611	25,000	4,389	20,203
Police	263,422	250,000	(13,422)	259,801
Employees' Benefits	39,728	-	(39,728)	-
Airport Maintenance	6,251	-	(6,251)	-
Transfer to Fire Equipment Reserve	5,000	5,000	-	5,000
Transfer to Equipment Reserve	25,000	25,000	-	25,000
Transfer to Curb & Gutter Project	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total Expenditures	<u>\$ 860,392</u>	<u>\$1,145,000</u>	<u>\$284,608</u>	<u>\$877,218</u>
Cash Receipts Over (Under) Expenditures	\$ 167,908			\$ 86,012
Unencumbered Cash, Beginning	<u>245,567</u>			<u>159,555</u>
Unencumbered Cash, Ending	<u>\$ 413,475</u>			<u>\$245,567</u>

CITY OF MEADE, KANSAS

Schedule 2-2

LIBRARY FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 63,029	\$ 64,529	\$ (1,500)	\$ 62,285
Delinquent tax	2,446	1,000	1,446	1,665
Motor vehicle tax	<u>13,791</u>	<u>13,094</u>	<u>697</u>	<u>12,725</u>
Total Cash Receipts	\$ 79,266	\$ <u>78,623</u>	\$ <u>643</u>	\$ 76,675
<u>Expenditures</u>				
Appropriations to Library Board	<u>78,623</u>	\$ <u>78,623</u>	<u>-</u>	<u>76,675</u>
Cash Receipts Over (Under) Expenditures	\$ 643			\$ -
Unencumbered Cash, Beginning	<u>1,992</u>			<u>1,992</u>
Unencumbered Cash, Ending	\$ <u>2,635</u>			\$ <u>1,992</u>

CITY OF MEADE, KANSAS

Schedule 2-3

LIBRARY FUND – SPECIAL BENEFITS  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad valorem tax	\$ 13,866	\$ 14,200	\$ (334)	\$ 10,947
Delinquent tax	444	100	344	270
Motor vehicle tax	<u>2,422</u>	<u>2,302</u>	<u>120</u>	<u>2,188</u>
Total Cash Receipts	\$ 16,732	\$ <u>16,602</u>	\$ <u>130</u>	\$ 13,405
<u>Expenditures</u>				
Appropriations to Library Board	<u>16,602</u>	\$ <u>16,602</u>	<u>-</u>	<u>13,405</u>
Cash Receipts Over (Under) Expenditures	\$ 130			-
Unencumbered Cash, Beginning	<u>-</u>			<u>-</u>
Unencumbered Cash, Ending	\$ <u>130</u>			<u>-</u>

CITY OF MEADE, KANSAS

Schedule 2-4

MUNICIPAL BUILDING FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 6,098	\$ 6,240	\$ (142)	\$ 5,934
Delinquent tax	232	100	132	158
Motor vehicle tax	<u>1,318</u>	<u>1,247</u>	<u>71</u>	<u>1,222</u>
Total Cash Receipts	\$ 7,648	\$ <u>7,587</u>	\$ <u>61</u>	\$ 7,314
<u>Expenditures</u>				
Building maintenance and improvements	<u>6,553</u>	\$ <u>25,000</u>	\$ <u>18,447</u>	<u>9,418</u>
Cash Receipts Over (Under) Expenditures	\$ 1,095			\$ (2,104)
Unencumbered Cash, Beginning	<u>18,465</u>			<u>20,569</u>
Unencumbered Cash, Ending	\$ <u>19,560</u>			\$ <u>18,465</u>

CITY OF MEADE, KANSAS

Schedule 2-5

MAJOR STREETS FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Cash Receipts</u>				
Intergovernmental:				
Gas tax	\$ 44,376	\$ <u>55,000</u>	\$ <u>(10,624)</u>	\$ 42,932
<u>Expenditures</u>				
Street maintenance and improvements	<u>57,960</u>	\$ <u>73,500</u>	\$ <u>15,540</u>	<u>18,163</u>
Cash Receipts Over (Under) Expenditures	\$ (13,584)			\$ 24,769
Unencumbered Cash, Beginning	<u>24,769</u>			<u>-</u>
Unencumbered Cash, Ending	\$ <u>11,185</u>			\$ <u>24,769</u>



## CITY OF MEADE, KANSAS

Schedule 2-6

EMPLOYEES' BENEFITS FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
			<u>(Under)</u>	<u>Actual</u>
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad valorem property tax	\$129,520	\$132,622	\$ (3,102)	\$106,554
Delinquent tax	4,605	2,300	2,305	3,647
Motor vehicle tax	<u>24,025</u>	<u>22,387</u>	<u>1,638</u>	<u>25,012</u>
Total taxes	\$158,150	\$157,309	\$ 841	\$135,213
Other:				
Reimbursements	<u>-</u>	<u>16,000</u>	<u>(16,000)</u>	<u>9,559</u>
Total Cash Receipts	<u>\$158,150</u>	<u>\$173,309</u>	<u>\$ (15,159)</u>	<u>\$144,772</u>
<u>Expenditures</u>				
Personal Services:				
Fringe benefits	\$ 20,662	\$ 65,000	\$ 44,338	\$ 53,485
Health insurance	<u>137,488</u>	<u>130,000</u>	<u>(7,488)</u>	<u>160,123</u>
Total Expenditures	<u>\$158,150</u>	<u>\$195,000</u>	<u>\$ 36,850</u>	<u>\$213,608</u>
Cash Receipts Over (Under) Expenditures	-			\$ (68,836)
Unencumbered Cash, Beginning	<u>-</u>			<u>68,836</u>
Unencumbered Cash, Ending	<u>-</u>			<u>-</u>

CITY OF MEADE, KANSAS

Schedule 2-7

PUBLIC SAFETY FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 6,098	\$ 6,240	\$ (142)	\$ 5,934
Delinquent tax	263	100	163	203
Motor vehicle tax	<u>1,318</u>	<u>1,247</u>	<u>71</u>	<u>1,221</u>
Total Cash Receipts	\$ 7,679	\$ <u>7,587</u>	\$ <u>92</u>	\$ 7,358
<u>Expenditures</u>				
Public safety	<u>29,196</u>	\$ <u>29,200</u>	\$ <u>4</u>	<u>22,315</u>
Cash Receipts Over (Under) Expenditures	\$ (21,517)			\$ (14,957)
Unencumbered Cash, Beginning	<u>22,957</u>			<u>37,914</u>
Unencumbered Cash, Ending	\$ <u>1,440</u>			\$ <u>22,957</u>

## CITY OF MEADE, KANSAS

Schedule 2-8

AVIATION FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012  
(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
			<u>(Under)</u>	<u>Actual</u>
<u>Cash Receipts</u>				
Use of Money and Property:				
Rentals	\$ 12,572	\$ 12,000	\$ 572	\$ 14,285
Crop sales	<u>1,959</u>	<u>3,500</u>	<u>(1,541)</u>	<u>2,973</u>
Total use of money and property	\$ 14,531	\$ 15,500	\$ (969)	\$ 17,258
Grants State of Kansas and other	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,806</u>
Total Cash Receipts	\$ <u>14,531</u>	\$ <u>15,500</u>	\$ <u>(969)</u>	\$ <u>22,064</u>
<u>Expenditures</u>				
Airport improvement	\$ -	\$ -	\$ -	\$ 9,243
Maintenance	<u>8,451</u>	<u>15,500</u>	<u>7,049</u>	<u>14,646</u>
Total Expenditures	\$ <u>8,451</u>	\$ <u>15,500</u>	\$ <u>7,049</u>	\$ <u>23,889</u>
Cash Receipts Over (Under) Expenditures	\$ 6,080			\$ (1,825)
Unencumbered Cash, Beginning	<u>627</u>			<u>2,452</u>
Unencumbered Cash, Ending	\$ <u>6,707</u>			\$ <u>627</u>

## CITY OF MEADE, KANSAS

Schedule 2-9

LIGHT FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
<u>Cash Receipts</u>			<u>(Under)</u>	<u>Actual</u>
Sales to Users:				
Electric	\$2,119,933	\$2,665,000	\$ (545,067)	\$2,127,249
Penalties	<u>17,649</u>	<u>20,000</u>	<u>(2,351)</u>	<u>20,977</u>
Total sales to users	\$2,137,582	\$2,685,000	\$ (547,418)	\$2,148,226
Other Sales:				
Material, supplies and service	10,637	10,000	637	8,295
Miscellaneous	7,002	15,000	(7,998)	2,188
Reimbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,579</u>
Total Cash Receipts	<u>\$2,155,221</u>	<u>\$2,710,000</u>	<u>\$ (554,779)</u>	<u>\$2,160,288</u>
<u>Expenditures</u>				
Production	\$1,307,476	\$1,600,000	\$ 292,524	\$1,360,271
Transmission and distribution	363,247	300,000	(63,247)	335,056
Commercial and general	184,288	300,000	115,712	223,719
Transfers:				
Debt Service Fund	168,000	168,000	-	168,000
Improvement Fund	<u>132,000</u>	<u>132,000</u>	<u>-</u>	<u>132,000</u>
Total Expenditures	<u>\$2,155,011</u>	<u>\$2,500,000</u>	<u>\$ 344,989</u>	<u>\$2,219,046</u>
Cash Receipts Over (Under)				
Expenditures	\$ 210			\$ (58,758)
Unencumbered Cash, Beginning	<u>238,208</u>			<u>296,966</u>
Unencumbered Cash, Ending	<u>\$ 238,418</u>			<u>\$ 238,208</u>

## CITY OF MEADE, KANSAS

Schedule 2-10

WATER FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Cash Receipts</u>				
Sales to Users:				
Water	\$272,928	\$295,000	\$ (22,072)	\$294,072
Other Sales:				
Material, supplies and service	5,312	-	5,312	1,845
Miscellaneous	8,639	3,000	5,639	4,316
Reimbursements	-	-	-	11,303
State water	<u>3,741</u>	<u>3,500</u>	<u>241</u>	<u>4,085</u>
Total Cash Receipts	<u>\$290,620</u>	<u>\$301,500</u>	<u>\$ (10,880)</u>	<u>\$315,621</u>
<u>Expenditures</u>				
Production	\$ 981	\$ -	\$ (981)	\$ 922
Transmission and distribution	33,176	-	(33,176)	33,227
Commercial and general	147,208	350,000	202,792	154,052
Transfers:				
Improvement Fund	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Expenditures	<u>\$201,365</u>	<u>\$370,000</u>	<u>\$168,635</u>	<u>\$208,201</u>
Cash Receipts Over (Under) Expenditures	\$ 89,255			\$107,420
Unencumbered Cash, Beginning	<u>476,720</u>			<u>369,300</u>
Unencumbered Cash, Ending	<u>\$565,975</u>			<u>\$476,720</u>

CITY OF MEADE, KANSAS

Schedule 2-11

SEWER FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012  
 (with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
			<u>(Under)</u>	<u>Actual</u>
<u>Cash Receipts</u>				
Charges for Services:				
Service charge	\$ 88,590	\$ 96,000	\$ (7,410)	\$ 90,084
Other	40	-	40	-
Reimbursable	<u>8,719</u>	<u>-</u>	<u>8,719</u>	<u>-</u>
Total Cash Receipts	<u>\$ 97,349</u>	<u>\$ 96,000</u>	<u>\$ 1,349</u>	<u>\$ 90,084</u>
<u>Expenditures</u>				
Maintenance	\$ 22,615	\$ 45,911	\$ 23,296	\$ 24,147
Bond and interest	<u>51,059</u>	<u>51,059</u>	<u>-</u>	<u>51,059</u>
Total Expenditures	<u>\$ 73,674</u>	<u>\$ 96,970</u>	<u>\$ 23,296</u>	<u>\$ 75,206</u>
Cash Receipts Over (Under) Expenditures	\$ 23,675			\$ 14,878
Unencumbered Cash, Beginning	<u>125,560</u>			<u>110,682</u>
Unencumbered Cash, Ending	<u>\$149,235</u>			<u>\$125,560</u>

CITY OF MEADE, KANSAS

Schedule 2-12

UTILITY BOND AND INTEREST NO. 2 FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
			<u>(Under)</u>	<u>Actual</u>
<u>Cash Receipts</u>				
Transfers:				
Light Fund	<u>\$168,000</u>	<u>\$168,000</u>	<u>-</u>	<u>\$168,000</u>
<u>Expenditures</u>				
Bond principal	<u>\$115,000</u>	<u>\$115,000</u>	<u>-</u>	<u>\$110,000</u>
Bond interest	<u>47,463</u>	<u>47,463</u>	<u>-</u>	<u>51,093</u>
Total Expenditures	<u>\$162,463</u>	<u>\$162,463</u>	<u>-</u>	<u>\$161,093</u>
Cash Receipts Over (Under) Expenditures	\$ 5,537			\$ 6,907
Unencumbered Cash, Beginning	<u>126,027</u>			<u>119,120</u>
Unencumbered Cash, Ending	<u>\$131,564</u>			<u>\$126,027</u>

CITY OF MEADE, KANSAS

Schedule 2-13

WATER AND LIGHT IMPROVEMENT FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012  
 (with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>		<u>Variance</u>	<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>	<u>Year</u>
			<u>(Under)</u>	<u>Actual</u>
<u>Cash Receipts</u>				
Transfers:				
Light Fund	\$132,000	\$132,000	-	\$132,000
Water Fund	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Cash Receipts	\$152,000	<u>\$152,000</u>	<u>-</u>	\$152,000
<u>Expenditures</u>				
Capital expenditures	<u>197,925</u>	<u>\$830,000</u>	<u>\$632,075</u>	<u>162,256</u>
Cash Receipts Over (Under) Expenditures	\$ (45,925)			\$ (10,256)
Unencumbered Cash, Beginning	<u>667,979</u>			<u>678,235</u>
Unencumbered Cash, Ending	<u>\$622,054</u>			<u>\$667,979</u>



CITY OF MEADE, KANSAS

Schedule 2-14

EQUIPMENT RESERVE FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET – REGULATORY BASIS

For the year ended December 31, 2012

(with comparative actual totals for the prior year ended December 31, 2011)

	<u>Current Year</u>			<u>Prior</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Year</u> <u>Actual</u>
<u>Cash Receipts</u>				
Transfer from General Fund	\$ 50,000	\$ <u>50,000</u>	<u>-</u>	\$ 25,000
<u>Expenditures</u>				
Capital outlay	<u>35,515</u>	\$ <u>100,000</u>	\$ <u>64,485</u>	<u>46,384</u>
Cash Receipts Over (Under) Expenditures	\$ 14,485			\$ (21,384)
Unencumbered Cash, Beginning	<u>36,809</u>			<u>58,193</u>
Unencumbered Cash, Ending	\$ <u>51,294</u>			\$ <u>36,809</u>

CITY OF MEADE, KANSAS

Schedule 2  
(Continued)

SCHEDULES OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the year ended December 31, 2012

CITY OF MEADE, KANSAS

Schedule 2-15

AIRPORT IMPROVEMENT FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the year ended December 31, 2012  
(with comparative actual totals for the prior year ended December 31, 2011)

	<u>2012</u>	<u>2011</u>
<u>Cash Receipts</u>		
City's share	-	\$ 9,243
Grant proceeds	<u>-</u>	<u>175,629</u>
Total Cash Receipts	-	\$184,872
<u>Expenditures</u>		
Airport maintenance	<u>-</u>	<u>184,872</u>
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>-</u>	<u>-</u>

CITY OF MEADE, KANSAS

Schedule 2-16

SERVICE DEPOSITS FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the year ended December 31, 2012  
(with comparative actual totals for the prior year ended December 31, 2011)

	<u>2012</u>	<u>2011</u>
<u>Cash Receipts</u>		
Deposits for service	\$ 12,721	\$ 10,129
<u>Expenditures</u>		
Refunds on deposits	<u>14,533</u>	<u>9,960</u>
Cash Receipts Over (Under) Expenditures	\$ (1,812)	\$ 169
Unencumbered Cash, Beginning	<u>18,117</u>	<u>17,948</u>
Unencumbered Cash, Ending	<u>\$ 16,305</u>	<u>\$ 18,117</u>

CITY OF MEADE, KANSAS

Schedule 2-17

BOND AND INTEREST FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the year ended December 31, 2012  
(with comparative actual totals for the prior year ended December 31, 2011)

	<u>2012</u>	<u>2011</u>
<u>Cash Receipts</u>	-	-
<u>Expenditures</u>	<u>-</u>	<u>-</u>
Cash Receipts Over (Under) Expenditures	\$ -	\$ -
Unencumbered Cash, Beginning	<u>171,500</u>	<u>171,500</u>
Unencumbered Cash, Ending	<u>\$171,500</u>	<u>\$171,500</u>

CITY OF MEADE, KANSAS

Schedule 2-18

CURB AND GUTTER IMPROVEMENT FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the year ended December 31, 2012  
(with comparative actual totals for the prior year ended December 31, 2011)

	<u>2012</u>	<u>2011</u>
<u>Cash Receipts</u>		
Transfer from General Fund	\$ 25,000	\$ 50,000
<u>Expenditures</u>		
Curb, gutter and sidewalk improvement	<u>38,076</u>	<u>29,261</u>
Cash Receipts Over (Under) Expenditures	\$ (13,076)	\$ 20,739
Unencumbered Cash, Beginning	<u>45,231</u>	<u>24,492</u>
Unencumbered Cash, Ending	<u>\$ 32,155</u>	<u>\$ 45,231</u>

CITY OF MEADE, KANSAS

Schedule 2-19

FIRE DEPARTMENT EQUIPMENT RESERVE FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the year ended December 31, 2012  
(with comparative actual totals for the prior year ended December 31, 2011)

	<u>2012</u>	<u>2011</u>
<u>Cash Receipts</u>		
Donations	\$ 1,361	\$ 1,930
Transfer from General Fund	<u>5,000</u>	<u>5,000</u>
Total Cash Receipts	\$ 6,361	\$ 6,930
<u>Expenditures</u>		
Fire Department equipment	<u>2,833</u>	<u>1,442</u>
Cash Receipts Over (Under) Expenditures	\$ 3,528	\$ 5,488
Unencumbered Cash, Beginning	<u>11,815</u>	<u>6,327</u>
Unencumbered Cash, Ending	<u>\$ 15,343</u>	<u>\$ 11,815</u>

CITY OF MEADE, KANSAS

Schedule 3

AGENCY FUNDS  
SUMMARY OF RECEIPTS AND DISBURSEMENTS  
REGULATORY BASIS

For the year ended December 31, 2012

<u>Funds</u>	<u>Beginning</u> <u>Cash</u> <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
Utility Trash and Garbage	\$ 20,651	\$136,491	\$146,385	\$ 10,757
Municipal Bond Funds	2,750	5,500	5,750	2,500
Health Insurance Account	<u>10,215</u>	<u>15,000</u>	<u>8,832</u>	<u>16,383</u>
Total	\$ <u>33,616</u>	\$ <u>156,991</u>	\$ <u>160,967</u>	\$ <u>29,640</u>